

Hearing Date and Time: May 23, 2019 at 2:00 p.m. (Eastern Time)
Response Deadline: May 17, 2019 at 4:00 p.m. (Eastern Time)

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

SEARS HOLDINGS CORPORATION, *et al.*,¹

Debtors.

)
) Chapter 11
)

) Case No. 18-23538 (RDD)
)

) (Jointly Administered)
)

**DECLARATION OF SAMUEL LEVANDER IN SUPPORT OF TRANSFORM
HOLDCO LLC'S INTIAL RESPONSE TO THE BRUCE TRUSTS' (I) DESIGNATABLE
CONTRACT ASSUMPTION AND ASSIGNMENT OBJECTION,
AND (II) RESERVATION OF RIGHTS**

I, Samuel Levander, declare under penalty of perjury as follows:

1. I am an attorney duly admitted to practice before this Court, and I am an associate of the law firm Cleary Gottlieb Steen & Hamilton LLP ("Cleary Gottlieb"), counsel for Transform Holdco LLC ("Transform"). I respectfully submit this declaration ("Levander")

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); and Sears Brands Management Corporation (5365). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

Declaration”) in connection with *Transform Holdco LLC’s Initial Response to the Bruce Trusts’ (I) Designatable Contract Assumption and Assignment Objection, and (II) Reservation of Rights.*

2. Attached hereto as Exhibit A is a true and correct copy of the Lease made and entered into as of December 18, 1964 between Patton Avenue Development Corporation (“PADC”) as Landlord and S. S. Kresge Company as Tenant (the “Kmart Lease”).

3. Attached hereto as Exhibit B is a true and correct copy of the Amendment to the Kmart Lease made and entered into August 27, 1965 between PADC as Landlord and S.S. Kresge Company as Tenant.

4. Attached hereto as Exhibit C is a true and correct copy of the Deed made February 1, 1966, by and between PADC as Grantor and G-K, Inc. as Grantee.

5. Attached hereto as Exhibit D is a true and correct copy of the Deed made February 1, 1966, by and between G-K, Inc. as Grantor and Martin Bruce and Sylvia Bruce as Grantees.

6. Attached hereto as Exhibit E is a true and correct copy of the Agreement made February 1, 1966 between Martin Bruce and Sylvia Bruce as Landlord and Patton Plaza Associates (“PPA”) as Tenant.

7. Attached hereto as Exhibit F is a true and correct copy of the Assignment made November 6, 1969 between PPA as Assignors and Nineteenth Asheville Corp. (“NAC”) as Assignee.

8. Attached hereto as Exhibit G is a true and correct copy of the Assignment made December 17, 1975 between NAC as Assignor and Asheville K-M Associates as Assignee.

9. Attached hereto as Exhibit H is a true and correct copy of the Assignment of Leases made December 23, 1975 between NAC as Assignor and Asheville K-M Associates as Assignee.

10. Attached hereto as Exhibit I is a true and correct copy of the Memorandum of Lease made December 23, 1975 between Asheville K-M Associates as Landlord and NAC as Tenant.

11. Attached hereto as Exhibit J is a true and correct copy of the Assignment of Leases made December 23, 1975 between Asheville K-M Associates as Assignor and NAC as Assignee.

12. Attached hereto as Exhibit K is a true and correct copy of a letter from B. L. McGaw of NAC to H. F. Jarvis of Kmart, dated December 30, 1975.

13. Attached hereto as Exhibit L is a true and correct copy of a letter from Arthur Seibert to Kmart Corporation dated February 3, 1988.

14. Attached hereto as Exhibit M is a true and correct copy of a North Carolina Special Warranty Deed dated April 5, 1988 by and between Martin Bruce and Sylvia Bruce as Grantor and Martin Bruce, Trustee of the Martin Bruce Revocable Trust as Grantee.

15. Attached hereto as Exhibit N is a true and correct copy of a North Carolina Special Warranty Deed dated April 5, 1988 by and between Sylvia Bruce and Martin Bruce as Grantor and Sylvia Bruce, Trustee of the Sylvia Bruce Revocable Trust as Grantee.

16. Attached hereto as Exhibit O is a true and correct copy of the Second Amendment to Lease made and entered into March 3, 1992 between NAC as Landlord and Kmart Corporation as Tenant.

17. Attached hereto as Exhibit P is a true and correct copy of an Assignment of Lease executed July 29, 1999 between Kmart Corporation as Assignor and Kmart of North Carolina LLC as Assignee.

18. Attached hereto as Exhibit Q is a true and correct copy of an Assignment executed December 31, 1999 between Asheville K-M Associates as Assignor and Asheville K-M Associates, LLC as Assignee.

19. Attached hereto as Exhibit R is a true and correct copy of a letter from Kmart to Nineteenth Asheville Properties dated December 13, 2007.

20. Attached hereto as Exhibit S is a true and correct copy of the Third Amendment to Lease made and entered into May 23, 2017 by and between NAC as Landlord and Kmart Corporation as Tenant.

21. Attached hereto as Exhibit T is a true and correct copy of a letter from Kmart Corporation to Nineteenth Asheville Properties and the Estate of Walter R. Samuels and Marilyn Joy Samuels, as Tenants-in-Common dated July 20, 2018.

22. Attached hereto as Exhibit U is a true and correct copy of a letter from Glenn S. Howarth, Esq. to Joanne Catanese of Sears Holdings dated July 24, 2018, with the subject line "Lease dated December 18, 1964 as amended and assigned, for the premises located at 1001 Patton Avenue, Asheville, NC and known as Kmart Store Unit #4112."

23. Attached hereto as Exhibit V is a true and correct copy of a letter from the Allison Bruce Irrevocable Trust and the Cara Bruce Irrevocable Trust to Joanne Catanese dated August 6, 2018.

Executed on May 14, 2019 in New York, New York.

Respectfully submitted,



Samuel Levander